

RESEARCH ARTICLE

Rural Entrepreneurship in Coimbatore District, Tamil Nadu: A SWOT–TOWS Analysis

Dhanush M^{1*}, Ravaliselshiya S², Ashish Kerketta³ and Fathimabi⁴

^{1*}Department of Agricultural Extension, Kerala Agricultural University, Thrissur, Kerala

²Department of Silviculture and Agroforestry, Rani Lakshmi Bai Central Agricultural University, Jhansi

³Department of Agricultural Extension, Kerala Agricultural University, Thrissur, Kerala

⁴Department of Extension Education and Communication, Rani Lakshmi Bai Central Agricultural University, Uttar Pradesh, India

ABSTRACT

Rural entrepreneurship plays a critical role in diversifying farm incomes, generating rural employment, and narrowing the rural-urban development gap in India. Despite its growing policy importance, systematic evidence on the internal and external factors shaping rural enterprises at the micro level remains limited. This study examines the strengths, weaknesses, opportunities, and threats confronting three purposively selected rural enterprises in Coimbatore district, Tamil Nadu, namely an individual family-run farm, a technology-based manufacturing partnership, and a large farmer producer company, and develops enterprise-specific strategies using the Threats-Opportunities-Weaknesses-Strengths (TOWS) matrix. Primary data were collected in 2023 through personal interviews using a structured interview schedule and analysed using SWOT and TOWS frameworks to identify key internal and external factors and formulate corresponding strategic alternatives. The findings reveal that although the source of competitive strength varies with organisational form, all three enterprises share common weaknesses, including limited financial resources, weak distribution channels, and inefficient operations, while facing broadly similar external opportunities and threats. The TOWS matrix indicates that growth-oriented strategies offer greater practical value than defensive strategies, given the favourable external market environment. The study concludes that strengthening rural entrepreneurship requires interventions extending beyond individual enterprises toward improved credit access and collaborative platforms, and demonstrates that the SWOT-TOWS approach offers a replicable framework for advancing rural enterprise research from description to actionable strategy.

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INTRODUCTION

India, home to the world's second-largest agricultural population, considers agriculture a cornerstone of its economy, contributing around 16.35% to the national Gross Domestic Product (GDP) in 2024-2025 and providing employment to approximately 46.1 % of the workforce (Economic

*Corresponding author mail: ghanushphdscholar@gmail.com



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Survey 2025–26, Ministry of Finance, Government of India). Despite rapid urbanization, nearly two-thirds of India's population—about 64% in 2025 continues to reside in rural areas (World Bank, 2026). Alongside agriculture, the Micro, Small, and Medium Enterprises (MSME) sector plays a significant economic role, accounting for 31.1% of India's GDP, underscoring its importance in driving economic development (MSME annual report 2025–26). The relevance of MSMEs to rural development is further strengthened by the presence of micro and small enterprises that utilise locally available resources and provide livelihood opportunities within local economies.

Entrepreneurship is increasingly recognised as an important mechanism for promoting development in rural areas. Entrepreneurial agency and creativity can help mobilise resources available within local economies and recombine them into new products, services and solutions that respond to local needs. Such entrepreneurial activity can contribute to the creation of firms and employment opportunities, improvement of services and strengthening of the resilience of rural communities (Hunt *et al.*, 2021; Zollet *et al.*, 2024). However, rural entrepreneurs contend with unique challenges including geographic remoteness, institutional thinness, and seasonal volatility. Despite these challenges, they benefit from strong social ties, deep affective connections to their land, and enduring cultural expectations that shape entrepreneurial behaviour (Calispa Aguilar, 2021).

Rural entrepreneurship differs substantially from mainstream entrepreneurial theory, as it is formed by distinct geographic, demographic, and cultural characteristics that shape practices and outcomes in meaningful ways. Rather than emphasizing disruption or rapid expansion, rural entrepreneurship often focuses on inhabiting and sustaining a place within its social and environmental context (Duran, 2023; Fortunato, 2014). This perspective highlights the importance of localized strategies that acknowledge spatial, social, and institutional particularities of rural areas.

Focusing on Coimbatore district in Tamil Nadu, the present study aims to analyze the strengths, weaknesses, opportunities, and threats (SWOT) of rural entrepreneurs in this region. By applying the TOWS matrix, the study further endeavors to develop strategies to enhance the capabilities and prospects

of rural entrepreneurship in Coimbatore, contributing to sustainable local economic development and improved livelihoods.

This research builds on existing conceptual frameworks that recognize rural entrepreneurship as a distinct and vital domain of inquiry, contributing novel insights into how place-based factors shape entrepreneurial ecosystems within developing country contexts (Wadichar *et al.*, 2022; Duran, 2023; Fortunato, 2014).

MATERIALS AND METHODS

Research design and selection of cases:

The study adopted an ex-post facto research design, as the variables under investigation had already occurred and could not be manipulated or controlled by the researcher. A comparative case-study approach was used to examine three rural enterprises in Coimbatore district, Tamil Nadu. A list of rural entrepreneurs and start-ups in the district was obtained from the Agribusiness Incubation Society–Technology Business Incubator (ABIS–TBI), Tamil Nadu Agricultural University (TNAU), Coimbatore. From this list, three enterprises were purposively selected based on their willingness to share complete operational data and their representation of different organisational and business forms: Magizham Farms, a family-run farm-based enterprise; MRGS Agro Traders, a technology-oriented manufacturing partnership; and Aram Organic Producer Company Ltd., a Farmer Producer Organisation. This selection enabled comparison across distinct enterprise models. The findings are specific to the three selected enterprises and may not represent all rural enterprises in Coimbatore district.

Data collection and identification of SWOT statements.

Primary data were collected in 2023 through personal interviews with the selected entrepreneurs using a structured interview schedule. The SWOT statements were identified through a review of relevant literature on rural entrepreneurship and enterprise development and organised under four dimensions: strengths, weaknesses, opportunities and threats. Nine statements were included under each dimension. The statements were presented to each entrepreneur for ranking and were not generated solely through open-ended interviews.

Ranking and prioritisation.

Each entrepreneur ranked all nine statements independently within each SWOT dimension according to their perceived importance to their respective enterprise. Rank 1 represented the most important statement, with subsequent ranks indicating decreasing priority. Rankings were analysed separately for each enterprise. The five highest-priority statements under each SWOT dimension were selected for further analysis. These rankings represent the individual entrepreneur's assessment of the respective enterprise and should not be interpreted as statistically generalisable rankings for the district.

SWOT-TOWS analysis.

The prioritised SWOT factors were organised into a SWOT matrix. A TOWS matrix was then developed by matching internal strengths with external opportunities (SO), internal weaknesses with external opportunities (WO), internal strengths with external threats (ST), and internal weaknesses with external threats (WT), following the strategic-matching approach described by Weihrich (1982). The resulting strategies represent qualitative, case-specific strategic alternatives. No separate quantitative scoring procedure was used to compare or statistically rank the four TOWS strategy categories.

Case Illustrations: Three Rural Enterprises of Coimbatore, Tamil Nadu

Rural entrepreneurship in Tamil Nadu takes different forms depending on the resources available, the nature of the enterprise and the way entrepreneurs respond to local needs and market opportunities. The following three cases provide examples of such variations. Magizham Farms, MRGS Agro Traders and Aram Organic FPO represent three different approaches to rural enterprise development, ranging from farm-based value addition to technology-based enterprise and collective action through a farmer producer organisation.

Magizham Farms, located at Veerappagoundanur, is a 15-acre family-run farm managed by a woman entrepreneur. The enterprise has been in operation since 2016. Along with agricultural production, the farm undertakes value addition by processing farm produce into products such as oils, herbal powders, pickles and soaps. These products are marketed directly to consumers and through social media platforms. The enterprise demonstrates how farm-based activities

can be extended into processing and direct marketing to create additional sources of income.

MRGS Agro Traders is a partnership enterprise established in 2020 in Coimbatore, Tamil Nadu, and managed by Ms. Sangeetha Devanand with the support of family members. The enterprise manufactures portable solar dehydrators designed for small- and medium-scale growers of specialty crops. The equipment aims to help farmers reduce post-harvest losses and improve agricultural produce handling. As an incubated, technology-oriented startup, the enterprise represents an innovative approach to addressing practical post-harvest management challenges faced by farmers.

Aram Organic FPO, located near Mettupalayam, represents a collective form of rural enterprise. The Farmer Producer Company was registered in 2018 and has more than 100 farmer-members covering approximately 236 acres. The organisation focuses on promoting organic certification, reducing input costs and improving collective marketing opportunities for farmers. Its major crops include coconut, banana, turmeric and arecanut. By bringing farmers together, the FPO provides a platform for collective input procurement, production and market-related activities.

The three cases illustrate the varied nature of rural entrepreneurship in Tamil Nadu. Magizham Farms represents a family-based farm enterprise with value addition, MRGS Agro Traders represents technology-oriented entrepreneurship, while Aram Organic FPO demonstrates collective entrepreneurship through farmer organisation. Their different approaches to production, value addition, technology and marketing provide useful insights into the prospects and challenges of rural enterprises. A comparative profile of the three enterprises is presented in Table 1

RESULT AND DISCUSSION

SWOT analysis of rural entrepreneurs

The prioritisation of SWOT factors was carried out separately for each enterprise based on the entrepreneur's ranking of the identified statements. Although certain factors were common across enterprises, their relative priorities reflected the individual entrepreneur's assessment of the respective enterprise. The rankings therefore represent enterprise-specific perceptions rather than a pooled or statistically generalisable assessment of rural enterprises in the district.

Table 1. Comparative Profile of Selected Rural Enterprises

Enterprise	Typology	Year started / registered	Scale	Core activity
Magizham Farms	Individual / family farm-based value addition	2016	15 acres; 7 workers; estimated annual turnover: approximately ₹5 lakh	Organic farm produce and processed value-added products (oils, powders, pickles, soap)
MRGS Agro Traders	Technology-oriented manufacturing partnership	2020	7 lakh capital; 4 seasonal workers	Manufacture of portable solar dehydrators for post-harvest processing
Aram Organic FPO	Farmer producer company (collective)	2017–2018	~236 ha; 100 member-farmers	Organic certification, input aggregation and collective marketing of farm produce

The SWOT analysis of the three selected rural enterprises, presented in Table 2, reveals both shared and enterprise-specific patterns in their internal and external environments. Across Magizham Farms, MRGS Agro Traders, and Aram Organic Producer Company Ltd., strong brand recognition, product distinctiveness, and committed management consistently emerged as key internal strengths, reflecting the personalised and relationship-driven nature of rural enterprise in the study area. However, as shown in Table 2, all three enterprises reported similar internal weaknesses, particularly limited financial resources, inadequate distribution channels, and operational inefficiencies, suggesting that these constraints are not isolated to individual firms but are more broadly characteristic of rural agribusiness in the district.

Limited financial resources emerged as a priority weakness in the entrepreneurs' assessments. The available operational information included a capital investment of ₹7 lakh for MRGS Agro Traders and a farm size of 15 acres for Magizham Farms. However, annual turnover and other comparable financial indicators were unavailable, limiting the scope for objectively quantifying the financial constraints of the selected enterprises. Accordingly, limited financial resources are interpreted as an entrepreneur-identified weakness rather than a conclusion established through comparative financial ratios.

On the external front, the enterprises face a largely favourable opportunity landscape shaped by rising consumer demand, emerging market segments, and scope for strategic partnerships, while threats such as

capital shortages, labour constraints, and competition from larger, more established players remain common across enterprise types. This pattern indicates that although the source of competitive strength varies by enterprise structure, the nature of the constraints and opportunities facing rural entrepreneurs in Coimbatore district, as summarised in Table 2, is fairly consistent.

TOWS matrix analysis

Building on the SWOT findings, the TOWS matrix was employed to systematically convert the identified internal and external factors into actionable strategic alternatives for each enterprise, as presented in Tables 3, 4, and 5. The SO strategies emphasise leveraging existing strengths, such as brand recognition and experienced management, to capture emerging market segments and expand customer reach, while the WO strategies focus on addressing internal weaknesses like limited capital and inefficient operations through technology adoption and strategic partnerships.

The ST strategies, outlined for each enterprise in Tables 3 to 5, are directed at using core strengths to defend market position against competition from established and larger players, whereas the WT strategies prioritise low-cost, incremental improvements to reduce vulnerability arising from limited resources and external competitive pressure. Across all three enterprises, the SO and WO strategies appear more prominent and actionable than the ST and WT strategies, indicating that the external environment offers greater scope for growth-oriented responses than for purely

Table 2. SWOT Analysis of Selected Rural Agripreneurs in Coimbatore District

Dimension	Magizham Farms	MRGS Agro Traders	Aram Organic FPO
Strengths	1. Unique products or service 2. Strong customer base 3. Strong brand recognition 4. Commitment and dedication 5. Family support	1. Strong brand recognition 2. Experienced management 3. Unique products or service 4. Strong customer chain 5. Commitment and dedication	1. Strong brand recognition 2. Experienced management 3. Unique products or service 4. Access to financial resource 5. Efficient operation and supply chain
Weaknesses	1. Limited financial resources 2. Inexperienced management team 3. Limited distribution channels 4. Inefficient operations and supply chain 5. Lack of innovative products/services	1. Limited financial resources 2. Limited distribution channels 3. No calculated risks 4. Inefficient operations and supply chain 5. Lack of innovative products/services	1. Limited financial resources 2. Inexperienced management team 3. Limited distribution channels 4. Lack of innovative products/services 5. Inefficient operations and supply chain
Opportunities	1. Growing demand for product/service 2. Emerging markets/untapped segments 3. Strategic partnerships/collaborations 4. Technological advancements improving product/service 5. Assured captive market	1. Growing demand for product/service 2. Emerging markets/untapped segments 3. Regulatory/policy changes creating opportunities 4. Strategic partnerships/collaborations 5. Assured captive market	1. Growing demand for product/service 2. Emerging markets/untapped segments 3. Regulatory/policy changes creating opportunities 4. Strategic partnerships/collaborations 5. Assured captive market
Threats	1. Intense competition from established players 2. Shortage of capital 3. Labour constraints 4. Changes in consumer preferences/behaviour 5. Natural disasters/external disruptions	1. Intense competition from established players 2. Shortage of capital 3. Labour constraints 4. Big units' competition 5. Technological advancements by competitors	1. Intense competition from established players 2. Shortage of capital 3. Labour constraints 4. Big units' competition 5. Technological advancements by competitors

Table 3. TOWS Matrix for Magizham Farms

Magizham Farms		
TOWS Matrix	External Opportunities (O)	External Threats (T)
Internal Strengths (S)	SO1 Leverage unique products and brand recognition to capture emerging/untapped customer segments SO2 Use strong customer base to build partnerships that expand distribution	ST1 Use brand recognition and unique positioning to differentiate from established competitors
Internal Weaknesses (W)	WO1 Use technological advancements to offset inefficient operations and improve supply chain WO2 Pursue partnerships/collaborations to access capital and management mentoring	WT1 Prioritize low-cost operational fixes to reduce exposure to capital shortage and competition

SO = Strengths–Opportunities, WO1 = Weaknesses–Opportunities, ST1 = Strengths–Threats strategy, WT1 = Weaknesses–Threats strategy

Table 4. TOWS Matrix for MRGS Agro Traders

MRGS Agro Traders		
TOWS Matrix	External Opportunities (O)	External Threats (T)
Internal Strengths (S)	SO1 Use experienced management to pursue new regulatory/policy incentives SO2 Leverage customer chain and brand recognition to expand into emerging segments	ST1 Use brand recognition and management experience to defend position against big units
Internal Weaknesses (W)	WO1 Use regulatory/policy opportunities to address limited financial resources WO2 Pursue partnerships specifically to expand distribution channels	WT1 Prioritize incremental, low-capital operational improvement over expansion until capital exists

SO = Strengths–Opportunities, WO1 = Weaknesses–Opportunities, ST1 = Strengths–Threats strategy, WT1 = Weaknesses–Threats strategy

Table 5. TOWS Matrix for Aram Organic Producer Company Ltd

Aram Organic Producer Company Ltd		
TOWS Matrix	External Opportunities (O)	External Threats (T)
Internal Strengths (S)	SO1 Use financial access and efficient operations to scale into untapped organic-produce markets SO2 Leverage brand strength and leadership to pursue organic/producer-company policy schemes	ST1 Use financial access and brand strength to invest in certification/traceability systems
Internal Weaknesses (W)	WO1 Use regulatory support and partnerships to strengthen distribution channels WO2 Apply financial resources to build operational-level management capacity	WT1 Prioritize digitizing core operations as the highest-leverage fix for combined threats

SO = Strengths–Opportunities, WO1 = Weaknesses–Opportunities, ST1 = Strengths–Threats strategy, WT1 = Weaknesses–Threats strategy

defensive ones. This strategic mapping, detailed in Table 3 for Magizham Farms, Table 4 for MRGS Agro Traders, and Table 5 for Aram Organic Producer Company Ltd., provides a practical framework through which rural entrepreneurs in Coimbatore district can prioritise interventions based on their specific combination of strengths, weaknesses, opportunities, and threats.

CONCLUSION

Rural entrepreneurship remains one of the most direct pathways for diversifying rural incomes, absorbing surplus agricultural labour, and narrowing the long-standing divide between rural and urban development in India. While the broader national entrepreneurship landscape has expanded rapidly, supported by an increasingly layered set of central and Tamil Nadu state schemes, the constraints observed directly in the three profiled enterprises, namely limited access to formal credit, weak market linkages, barriers to technology adoption, and shortages of skilled human resources, remain strikingly consistent regardless of enterprise type or scale. The comparative SWOT-TOWS analysis presented in Tables 2 through 5 indicates that these constraints are unlikely to be resolved through isolated, enterprise-specific interventions alone; rather, they call for deliberate horizontal linkages among complementary rural enterprises that allow shared resources, knowledge, and market access to be pooled across organisational boundaries.

Examined together, the three enterprises, an individually managed organic farm, a family-run agro-technology partnership, and a large farmer producer collective, demonstrate that although the specific source of competitive strength varies with organisational form, the strategic responses indicated by the TOWS matrices in Tables 3 to 5 converge around a broadly similar set of priorities: building scale through collective structures where individual capital remains thin, investing in certification and digital marketing to capture the premium associated with organic and traceable produce, and treating leadership continuity and governance transparency as the central long-term risk requiring active management. This suggests that rural entrepreneurship continues to hold considerable promise for India's inclusive growth agenda, provided that this fairly consistent set of internal and external constraints is addressed systematically rather than piecemeal. Extending SWOT analysis into an explicit TOWS framework, following the approach adopted

by Nuh et al. (2023) in the context of aquaculture enterprises, offers a practical mechanism for advancing rural entrepreneurship research in India from descriptive assessment toward actionable strategy formulation. The comparative application demonstrated in this study further suggests that this analytical approach extends meaningfully beyond the single-sector contexts in which it has predominantly been used, offering a replicable framework for future research across diverse rural enterprise settings.

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Ethics Statement:

The study involved personal interviews with rural entrepreneurs and did not include any experimental manipulation, clinical intervention, or use of animal subjects. Verbal informed consent was obtained from all participating entrepreneurs prior to data collection, and respondents were assured of confidentiality regarding the information shared. As the study did not involve medical, clinical, or animal-based research, formal ethical approval from an institutional ethics committee was not required.

Originality and Plagiarism:

The authors confirm that this manuscript is their original work and has not been published previously, in whole or in part, in any other journal or publication outlet. All sources used in the preparation of this manuscript have been duly acknowledged and cited. The authors affirm that the manuscript is free from plagiarism in any form.

Consent for Publication:

All authors have read and approved the final version of the manuscript and consent to its submission and publication in the journal.

Competing Interests:

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this manuscript.

Data Availability:

The data supporting the findings of this study are included within the manuscript. Additional data, if required, are available from the corresponding author upon reasonable request.

Author Contributions:

Dhanush M conceived the research idea, designed the study, developed the interview schedule, collected and analysed the primary data, and drafted the original manuscript. Ravaliselshiya S contributed to the conceptual framing of the SWOT-TOWS methodology and assisted in the review and editing of the manuscript. Ashish Kerketta contributed to data interpretation and provided critical inputs during manuscript revision. P. Balamurugan contributed to the economic analysis component and reviewed the manuscript for intellectual content. Fathimabi contributed to the literature review and assisted with manuscript formatting and referencing. All authors read and approved the final manuscript.

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